

Director's Fit and Proper Policy

JENTAYU Group
of Companies



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1. PURPOSE

- 1.1 The purpose of this Directors' Fit and Proper Policy ("the Policy") is to guide the Board of Nomination and Remuneration Committee ("BNRC") and Board of Directors ("the Board") of Jentayu Sustainables Berhad ("the Company") in their review and assessment of candidates who are to be appointed onto the Board as well as directors who are seeking for re-election in the Company and/or its subsidiaries.

2. POLICY STATEMENT

Amongst others, the considerations underpinning the overarching criteria of the Policy are outlined and expressed below:

2.1 Character and Integrity

(a) Probity

- comply with legal obligations, regulatory requirements and professional standards.
- have not been obstructive, misleading or untruthful in dealings with regulatory bodies or a court.
- have not been reprimanded or disqualified or removed by a professional or regulatory body in relation to matters in respect to the person's honesty, integrity or business conduct.

(b) Financial soundness and solvency

- manage personal debts or financial affairs satisfactorily.
- demonstrate ability to fulfil personal financial obligations as and when they fall due.

(c) Personal integrity, honesty and ethical behaviour

- have not perpetrated or participated in any business practices which are deceitful, oppressive, improper (whether unlawful or not) or which otherwise reflect discredit on his professional conduct;
- service contracts (i.e. in the capacity of management or Director) have not been terminated in the past due to concerns on personal integrity;
- have no concurrent responsibilities or interest which would contribute to a conflict of interest situation or otherwise impair the ability to discharge duties and responsibilities as Director of the Company and/or its subsidiaries;
- have not abused other positions (i.e. that he has held) in a manner that contravenes principles of good governance and professional ethics.

(d) Reputation

- are of good repute in the financial and business community;
- have not been the subject of civil or criminal proceedings or enforcement action, in managing or governing an entity for the past 10 years;
- have not been reprimanded by the Securities Commission Malaysia, Bursa Malaysia Securities Berhad, Suruhanjaya Syarikat Malaysia, Bank Negara Malaysia or any other regulatory authorities both local or abroad;
- have not been substantially involved in the management of a business or company which has failed, where that failure has been occasioned in part by deficiencies in that management.

2.2 Competence and capability

(a) Qualifications, training and skills

- possess education qualification relevant to the skill set that the Director is earmarked to bring to bear onto the boardroom (i.e. a match to the board skill set matrix);
- possess leadership capabilities and high level of emotional intelligence;
- have adequate and broad knowledge including the United Nations Sustainable Development Goals on sustainability as well as Environment, Social & Governance (ESG) issues;
- possess general management skills as well as understanding of good corporate governance best practices;
- Keep knowledge current based on continuous professional development.

(b) Relevant experience and expertise

- possess relevant experience and expertise with due consideration given to past length of service, nature and size of business, responsibilities held, number of subordinates as well as reporting lines and delegated authorities.

(c) Relevant past performance or track record

- Had careers of occupying a high-level position in a comparable organisation and were accountable for driving or leading the organisation's governance, business performance or operations;
- Possess commendable past performance record as gathered from the results of the board effectiveness evaluation.

2.3 Time and commitment

(a) Ability to discharge role having regard to other commitments

- able to devote time as Board members, having factored other outside obligations including concurrent Board positions held by the Directors across listed issuers and non-listed entities (including not-for-profit organizations).

(b) Participation and contribution in the Board or track record

- demonstrate willingness to participate actively in Board activities;
- demonstrate willingness to devote time and effort to understand the businesses and exemplify readiness to participate in events outside the boardroom;
- Manifest passion in the vocation of a Director;
- Exhibit ability to articulate views independently, objectively and constructively;
- Exhibit open mindedness to the views of others and ability to make considered judgment after hearing the views of others.

3. EVALUATION OF CANDIDATES FOR DIRECTORSHIP OR RE-APPOINTMENT OF DIRECTORS

- The BNRC will evaluate candidates for new appointments as Directors based on the fit and proper criteria as set out in Clause 2 above before recommending to the Board for approval.
- For re-appointment of Directors, the Directors will be evaluated based on the Board Evaluation Form. The BNRC has the power not to recommend to the Board the re-appointment of retiring Directors who do not meet the Policy requirements.
- For new appointments, the candidates are required to complete the Candidate for Directorship profile. The candidates will also be required to complete a self-declaration of fit and proper form and authorise the Company to perform background check, if necessary, which may cover previous employment verification, professional reference checks, education confirmation and/or criminal record and credit checks.
- The information gathered from the assessments shall be for the BNRC's strict use for the purpose of the assessment and not for public disclosure.

4. POLICY SUBJECT TO PERIODICAL REVIEW

The BNRC shall with the assistance of Management review the adequacy of the Policy on a regular basis and may from time to time recommend the proposed changes to the Board as it deems appropriate to reflect new best practices and new legal or regulatory requirements.

The Directors' Fit and Proper Policy has been adopted by the Board on 30 June 2022.